

§ 44.243

withdrawal of the cigars: *Provided*, That this period may be extended for good cause shown.

[25 FR 4725, May 28, 1960. Redesignated at 40 FR 16835, Apr. 15, 1975, as amended by T.D. ATF-480, 67 FR 30803, May 8, 2002]

BONDS

§ 44.243 Bond required.

Where the customs warehouse proprietor desires to withdraw cigars from his warehouse, without payment of tax, under this subpart, he shall, prior to making the first withdrawal, file a bond, Form 2104 (5200.15), conditioned upon compliance with the provisions of 26 U.S.C. chapter 52, and regulations thereunder, including, but not limited to, the timely payment of taxes imposed by such chapter, for which he may be responsible to the United States, and penalties and interest in connection therewith. The provisions of §§ 44.121 and 44.122 are applicable to the bond required under this section.

[25 FR 4725, May 28, 1960. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-48, 44 FR 55856, Sept. 28, 1979; T.D. ATF-460, 66 FR 39093, July 27, 2001; T.D. ATF-480, 67 FR 30803, May 8, 2002]

§ 44.244 Amount of bond.

The amount of the bond filed by the customs warehouse proprietor, as required by § 44.243, shall be not less than the estimated amount of tax which may at any time constitute a charge against the bond: *Provided*, That the amount of any such bond (or the total amount where original and strengthening bonds are filed) shall not exceed \$25,000 nor be less than \$1,000. The charges against such bond shall be subject to increase as withdrawals are made and decrease as required evidence of exportation is received by the appropriate TTB officer with respect to cigars withdrawn. When the limit of liability under a bond given in less than the maximum amount has been reached, further withdrawals shall not be made thereunder until a strengthening or superseding bond is filed as required by § 44.245 or § 44.246.

§ 44.245 Strengthening bond.

Where the appropriate TTB officer determines that the amount of the

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bond, under which the customs warehouse proprietor is withdrawing cigars for shipment under this subpart, no longer adequately protects the revenue, and such bond is in an amount of less than \$25,000, the appropriate TTB officer may require the proprietor to file a strengthening bond in an appropriate amount with the same surety as that on the bond already in effect, in lieu of a superseding bond to cover the full liability on the basis of § 44.244. The appropriate TTB officer shall refuse to approve any strengthening bond where any notation is made thereon which is intended or which may be construed as a release of any former bond, or as limiting the amount of either bond to less than its full amount.

§ 44.246 Superseding bond.

The customs warehouse proprietor shall file a new bond to supersede his current bond, immediately when (a) the corporate surety on the current bond becomes insolvent, (b) the appropriate TTB officer approves a request from the surety on the current bond to terminate his liability under the bond, (c) payment of any liability under a bond is made by the surety thereon, or (d) the appropriate TTB officer considers such a superseding bond necessary for the protection of the revenue.

§ 44.247 Termination of liability of surety under bond.

The liability of a surety on any bond required by this subpart shall be terminated only as to operations on and after the effective date of a superseding bond, or the date of approval of the customs warehouse proprietor's request for termination, or otherwise, in accordance with the termination provisions of the bond. The surety shall remain bound in respect of any liability for unpaid taxes, penalties, and interest, not in excess of the amount of the bond, incurred by the proprietor while the bond is in force.

PACKAGING REQUIREMENTS

§ 44.248 Packages.

Cigars shall, before withdrawal under this part, be put up by the customs warehouse proprietor in packages